

THURSDAY, NOVEMBER 4, 1999
FOURTH LEGISLATIVE DAY
SECOND EXTRAORDINARY SESSION

The House met at 9:00 a.m. and was called to order by Mr. Speaker Naifeh.

The proceedings were opened with prayer by Representative Patton.

Representative Patton led the House in the Pledge of Allegiance to the Flag.

ROLL CALL

The roll call was taken with the following results:

Present97

Representatives present were: Armstrong, Arriola, Baird, Beavers, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Cocke), Davis (Washington), DeBerry J., DeBerry L., Dunn, Eckles, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Gunnels, Hagood, Hargett, Hargrove, Harwell, Hassell, Head, Hood, Jackson, Jones S., Jones U., Kent, Kernell, Kerr, Kisber, Langster, Lewis, Maddox, McAfee, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Robinson, Sands, Sargent, Scroggs, Sharp, Stulce, Tidwell, Tindell, Todd, Towns, Turner (Shelby), Walker, Walley, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 97.

EXCUSED

The Speaker announced that the following member(s) has/have been excused, pursuant to request(s) under **Rule No. 20**:

Representative Bittle; illness.

Representative Turner (Hamilton); family death.

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Joint Resolution No. 5: Rep(s). Tidwell as prime sponsor(s).

House Joint Resolution No. 6: Rep(s). Caldwell as prime sponsor(s).

MESSAGE FROM THE SENATE
November 4, 1999

MR. SPEAKER: I am directed to return to the House, House Joint Resolution(s) No(s). 3; concurred in by the Senate.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

MESSAGE FROM THE SENATE
November 4, 1999

MR. SPEAKER: I am directed to transmit to the House, Senate Joint Resolution(s) No(s). 1, 4 and 6; all adopted for concurrence.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

Senate Joint Resolution No. 1 -- Memorials, Death - Jack DeWitt. by *Henry.

Senate Joint Resolution No. 4 -- Memorials, Public Service - Gates Learning Foundation and Microsoft Corporation. by *Henry.

Senate Joint Resolution No. 6 -- General Assembly, Recess&Reconvene - Provides for recess in proceedings of Senate at close of business on November 10, 1999; reconvenes on November 15, 1999 at 5:00 p.m. (CST). by *Crutchfield.

ENROLLED BILLS
November 4, 1999

The following bill(s) have been compared, enrolled, and are ready for the signature(s) of the Speaker(s): House Joint Resolution(s) No(s). 3.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

SIGNED
November 4, 1999

The Speaker signed the following: House Joint Resolution(s) No(s). 3.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

MESSAGE FROM THE GOVERNOR
November 4, 1999

MR. SPEAKER: I am directed by the Governor to return herewith: House Joint Resolution(s) No(s). 1, with his approval.

MICHELLE LONG, Counsel to the Governor.

MESSAGE FROM THE SENATE
November 4, 1999

MR. SPEAKER: I am directed to return to the House, House Joint Resolution(s) No(s). 3; signed by the Speaker.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

REPORT OF CHIEF ENGROSSING CLERK
November 4, 1999

The following bill(s) have been transmitted to the Governor for his action: House Joint Resolution(s) No(s). 3.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

RESOLUTIONS

Pursuant to **Rule No. 17**, the following resolution(s) was/were introduced and placed on the Consent Calendar for November 9, 1999:

House Joint Resolution No. 8 -- Memorials, Retirement - Reverend William A. Suggs. by *Bowers, *Turner (Shelby), *Chumney, *Jones U (Shelby), *DeBerry J, *Miller L, *Pleasant, *Cooper B, *Towns, *Brooks, *Hassell, *Hargett, *Kernell, *Todd, *Scroggs.

House Joint Resolution No. 9 -- Memorials, Public Service - Dr. Hal R. Ramer, President, Volunteer State Community College. by *McDonald, *Black.

House Joint Resolution No. 10 -- Memorials, Public Service - Gaines Melvin Briley. by *McDonald.

House Joint Resolution No. 11 -- Memorials, Public Service - Sumner County School Safety Officer Program. by *McDonald, *Black.

SENATE JOINT RESOLUTIONS
(Congratulatory and Memorializing)

Pursuant to **Rule No. 17**, the resolution(s) listed was/were noted as being placed on the Consent Calendar for November 9, 1999:

Senate Joint Resolution No. 1 -- Memorials, Death - Jack DeWitt. by *Henry.

Senate Joint Resolution No. 4 -- Memorials, Public Service - Gates Learning Foundation and Microsoft Corporation. by *Henry.

INTRODUCTION OF BILLS

On motion, the following bills were introduced and passed first consideration:

House Bill No. 5 -- Taxes - Removes headquarters exemption from sales and use tax Amends TCA Title 67. by *Maddox. (*SB8 by *Herron)

House Bill No. 6 -- Taxes, Sales - Requires bureau of TennCare to design cards issued to recipients to designate medicaid or dual eligibles and uninsured/uninsurables below poverty level from uninsured/uninsurables above poverty level; imposes flat \$5.00 sales tax on each prescription drug, including insulin, dispensed to uninsured/uninsurables above poverty level. Amends TCA Title 67 and Title 71. by *Sharp, *Wood. (*SB4 by *Fowler)

House Bill No. 7 -- Taxes - Deletes from sales and use tax all amusement tax exemptions. Amends TCA Title 67. by *Westmoreland. (*SB10 by *Haun)

***House Bill No. 8** -- Taxes, Income - Removes requirement of tax credit reciprocity to receive credit on Hall income tax for taxes paid on out-of-state income, distributions or interest by shareholders of out-of-state Subchapter S corporations. Amends TCA Section 67-2-122. by *Maddox. (*SB11 by *Herron)

***House Bill No. 9** -- Fees - Imposes \$2.00 application fee to be paid by person applying for Tenn/Care coverage as uninsured or uninsurable whose income is above federal poverty level; if approved, application to be filed as lien against real property of applicant in favor of state for annual premiums due. Amends TCA Section 8-21-1001; Section 66-24-101; Section 71-5-116 and Section 71-5-110. by *Scroggs, *Sharp, *Wood. (SB15 by *Fowler)

HOUSE BILLS ON SECOND CONSIDERATION

On motion, bills listed below passed second consideration and were referred by the Speaker to Committee or held on the Clerk's desk as noted:

***House Bill No. 3** -- Taxes, Sales -- House Finance, Ways and Means Committee

***House Bill No. 4** -- Taxes, Real Property -- House Finance, Ways and Means Committee

CONSENT CALENDAR

House Joint Resolution No. 4 -- Memorials, Death - Joe F. Dyer, former member of House of Representatives. by *Hargrove.

House Joint Resolution No. 5 -- Memorials, Congratulations - Adamsville Junior/Senior High School Band, Tennessee Division One State Champions. by *Rinks.

House Joint Resolution No. 6 -- Memorials, Sports - Anderson County High School girls' volleyball team, Class A/AA state championship. by *Baird.

House Joint Resolution No. 7 -- Memorials, Personal Occasion - Mr. and Mrs. Clyde Ellison, 50th Wedding Anniversary. by *Baird.

Rep. Hargrove moved that all members voting aye on House Joint Resolution No. 4 be added as sponsors, which motion prevailed.

Pursuant to **Rule No. 50**, Rep. Phillips moved that all House Bills having companion Senate Bills and are on the Clerk's desk be conformed and substituted for the appropriate House Bill, all Senate and House Bills on the Consent Calendar be passed on third and final consideration, all House Resolutions and House Joint Resolutions be adopted, and all Senate Joint Resolutions on the Consent Calendar be concurred in, which motion prevailed by the following vote:

Ayes	97
Noes	0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Cocke), Davis (Washington), DeBerry J., DeBerry L., Dunn, Eckles, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Gunnels, Hagood, Hargett, Hargrove, Harwell, Hassell, Head, Hood, Jackson, Jones S., Jones U., Kent, Kernell, Kerr, Kisber, Langster, Lewis, Maddox, McAfee, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Patton, Phelan, Phillips, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Robinson, Sands, Sargent, Scroggs, Sharp, Stulce, Tidwell, Tindell, Todd, Towns, Turner (Shelby), Walker, Walley, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 97.

A motion to reconsider was tabled.

ANNOUNCEMENTS

REMARKS BY CHAIRMAN KISBER

Thank you Mr. Speaker...

As we discussed in the Finance, Ways & Means Committee yesterday—it is the intention of the Committee next week—as we meet on Tuesday at 1:30 p.m.—to have the members of the House or the Senate—who have proposed or have ideas as to alternatives to the proposal that has been submitted by the governor—to come before the Committee and present those proposals so they may be part of the discussion which has taken place during this Special Session.

Let me say that I think all of you are aware that since we began this discussion the first of February, the Finance Committee in particular and the General Assembly has spent the bulk of our time discussing this budget dilemma. We've tried to look at whether we face a spending problem or a revenue problem.

We've tried to learn more about what it means in the terms of the services we deliver, the priorities that our constituents hold, and the things they expect the state of Tennessee to do for them, and where does it place us in a competitive situation with our neighbors in the south as well as those across the country with whom we compete.

As we have been through this both in the Finance Committee, the Business Tax Committee, and any other group, our respective caucuses, or other groups that tried to look at this issue—it has been evident from newspaper reports, radio accounts, television stories, that there are members from the General Assembly who have ideas about ways we can address this problem.

The General Assembly, the House, the Committee system is meant to be a forum for discussion, a place to discuss and debate ideas. The only way we believe we can do our job as members of the Finance Committee is to have all the information and all the ideas and all the suggestions of the members of the General Assembly. What we are requesting, and I know that there are a number of members—from the media accounts that I have read or seen—who have ideas about things we should be considering. You can contact my office by 4:00 p.m. Monday to be placed on the agenda for Tuesday.

You will be given time to present whatever proposal ought to be part of the discussion this special session. We also request that you bring 50 copies of whatever proposal you have or information you like presented so the members of the committee or the other members of the house who attend the meetings can have copies of the information you have.

We feel that we would not be doing our job in trying to get all the information possible if we didn't allow those who have ideas to bring those and present them before the committee. So, I encourage you to contact my office today, tomorrow, but by all means no later than 4:00 p.m. on Monday. We will have the Committee agenda ready when you come in Tuesday and we will meet Tuesday at 1:30 p.m.—Room 16.

We hope that we will have a number of those who have stated that they have ideas and come before us and share those with us. If it is necessary and we don't have enough time on Tuesday we will spend our allotted time on Wednesday.

I think the Business Tax Committee showed as we went across the state on the field hearings—we were willing to stay as long as it took to hear every person who wanted to be heard, and I can tell you the Finance Committee has that same commitment during this special session.

We will stay in session as long as it takes to assure that every person is heard.

Thank you Mr. Speaker.

**ENGROSSED BILLS
November 4, 1999**

The following bill(s) have been examined, engrossed, and are ready for transmission to the Senate: House Joint Resolution(s) No(s). 4, 5, 6 and 7.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

ROLL CALL

The roll call was taken with the following results:

Present94

Representatives present were: Armstrong, Arriola, Baird, Beavers, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Cocke), Davis (Washington), DeBerry J., DeBerry L., Dunn, Eckles, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Givens, Godsey, Goins, Gunnels, Hagood, Hargett, Hargrove, Harwell, Hassell, Head, Hood, Jackson, Jones S., Jones U., Kent, Kernell, Kerr, Kisber, Langster, Lewis, Maddox, McAfee, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Odom, Patton, Phelan, Phillips, Pinion, Pruitt, Ridgeway, Rinks, Roach, Robinson, Sands, Sargent, Scroggs, Sharp, Stulce, Tidwell, Tindell, Todd, Towns, Turner (Shelby), Walker, Walley, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 94.

RECESS MOTION

Rep. Hargrove moved that, pursuant to House Joint Resolution No. 3, the House stand in recess until 12:00 p.m. on Tuesday, November 9, 1999.